ance authorities available, and a sufficient amount of money should be put aside for the adequate remuneration of these insurance consultants.

A plan of this sort could be evolved and could hold fast to the three principles:

1. Medical care must be personal to be effective.
2. Medical service must be organized to be either effective or economical.
3. The financial burden of sickness must be distributed if people are to escape charity or neglect.

PUBLIC RELATIONS ACTIVITIES ARE NEEDED

Our president, Dr. Kinney, who has so unselfishly sacrificed his time and energy to the honor of this organization has called to your attention that a public relations committee is necessary now and hereafter. He is aware that the great corporate business bodies must maintain such committees. Our California Medical Association should maintain a group made up of far-seeing lay and medical men who would constitute its Medical Economics Committee, who would seek to evolve a program and who, by all means available, would transmit to the public all requisite information in the premises.

Insurance is not per se a philanthropic game, but private health insurance, written by people able to fulfill the requirements of their agreement will constitute one of the greatest philanthropies of the age, and the people should be led to this by that profession which is at this moment offering them more protection than any other profession on earth.

Again let me emphasize: a fact is as inanimate as a stone until it is coupled with an idea and joined with an ideal. It is the conjuncture of the fact which we know, the idea which must be conceived and the ideal which is the living, breathing basis of the practice of medicine that is necessary to evolve a constructive solution. We must convince the public that we accept the fact of cost and that we are seeking a plan—that we are seeking the idea which will bring our ideal to fruition.

CONCLUSIONS

1. We must convince organized medicine of the facts of cost of illness and their significance.
2. We must convince the public that the people are getting only part of the truth in suggested modification programs.
3. We must seek from medical schools and from the Council of Medical Education of the American Medical Association a revision of the curricula which will broaden the training of medical students to meet changing conditions.
4. We must have a better liaison with the public.
5. We must call into council trained insurance authorities.
6. Holding fast to the ideals of scientific medicine, we must take a position of militant progressivism to meet the changing conditions of our modern age.

3115 Webster Street.

IS SOCIALIZATION INIMICAL TO AMERICAN MEDICINE?*

By REXWALD BROWN, M. D.
Santa Barbara

MEDICINE arose out of the primal sympathy of man with man; out of the desire to help those in sorrow, need and distress. This splendid conception of medicine was penned by the immortal William Osler.

Has medicine measured up in full to such spiritual status or has it in the course of centuries become integral with the international competitive system wherein each individual's welfare is of paramount importance regardless of or indifferent to the welfare of the neighbor? Is it not true that though the primal sympathy still has a high place in a physician's life, the expression thereof is largely a matter of individual relationship between one patient and one doctor?

MODERN ERA PRESENTS A COÖPERATIVE-COMPETITIVE COMPLEX

A new attitude of mind is emergent in civilization. It is recognition, born of scientific studies, that there is in nature not alone the competitive principle but also the coöperative. They exist side by side.

The competitive principle held sway in all life until an age when man had evolved to become a conscious individual. Then a softening purpose was breathed into the harshness of existence. Consciousness expressed itself in altering and modifying the competitive system, as expressed in the individual struggle for life. Unselfishness, philanthropy and altruism appeared as active factors in a changing world. The method to real happiness, the one goal to which all aspire, became evident.

Efforts to correct the stupid, disorderly and wasteful evils of the continuance of the competitive system are apparent to all. They are nowhere better manifested than in the industrial, commercial and business spheres where the competitive activities have always been at fever heat. Trusts, combinations, mergers, monopolies and trade unions demonstrate the replacement by collectivism of the fierce enslavement of individuals to the false idea that happiness and security are possible only through destructiveness of a fellow being.

COÖPERATIVE SPIRIT IS AT WORK

The coöperative spirit is at work, a leaven in society's advance. It is not contended that the injustices of the past centuries are obliterated. There is, though, a lifting of some of the weight from the harassed, the oppressed, the unfortunate and the unhappy—victims of the biologically unequal struggle.

The coöperative movements exist on different levels in different nations. They are variously

* Read before the fourth general meeting at the sixtieth annual session of the California Medical Association, San Francisco, April 27-30, 1931.

designated, condemned or approved according to the intellectual cultures of the citizens. In England one hears of Socialism, in Russia of Communism, in India of Gandhiism and in America of Social Mindedness. The coöperative attitude is recognition that no individual exists apart from society. "I" implies the existence of "You." If not, neither word has any meaning.

To what extent has American medicine identified itself with the coöperative psychology or urge as exhibited in all parts of the world? Hardly at all. Physicians do help individuals in sorrow, need and distress, but they have found no way to spread their unselfish efforts over all humanity. This is a condition for which the profession has no reason to be proud.

The so-called organized American medical mind blindly refuses to be cognizant that medical socialization in various forms has for considerable time been under way. The lay mind more than the medical has been the leader in accepting such medical socialization concepts. Lay leadership is the result of the maladjustment of medicine to an enlightened civilization.

PREVENTIVE AND CURATIVE MEDICINES ARE NOT ANTAGONISTIC

The maladjustment is seen by the public in the disbalancement between preventive and curative medicine. The public is conversant with the inadequacy of personnel and financial support in official health agencies. It senses the lack of constructive interest in preventive medicine on the part of many practitioners of curative medicine. The public knows there is faulty distribution of physicians, hospitals, dispensaries, nurses and dentists in the United States. The public believes that many of its members, other than the wealthy and the indigent, do not have the benefits of modern medical knowledge. The inbetweens, the great mass of respectable and hard working citizens, complain that much of modern medical attention is out of the reach of their pocketbooks.

LAY ATTEMPTS TO REMEDY MEDICO-SOCIAL STRUCTURE

Nonprofessional society has attempted to correct these glaring faults in the medical social structure. Cities, counties and states are increasingly active in providing medical services to part or all of their citizens regardless of economic ratings. Schools and universities at minimum costs provide preventive and curative attention for their students. The state furnishes hospitalization for patients ill with mental aberrations, tuberculosis and bone and joint disabilities. Social service agencies, both public and private, have established preventive and curative clinics. A large amount of good can be properly accredited to health conservation leagues, community health associations, visiting nurse associations and health centers. They afford much trustworthy information especially on maternal, infant and venereal matters. The scientific service is not prohibitive in cost.

Significant in the growing movement of socialization of medicine is the operation of complete medical and surgical departments by industrial plants and railroads. The insurance minded public has powerfully developed the social medicine idea. Many life insurance companies require their policy holders to submit to medical re-examinations. The companies are also active in demanding public health protection and in educating their members on health matters. Almost every state in the union has adopted compulsory workmen's compensation laws, the risk being carried by insurance. Medical service is interwoven in the laws. There are sporadic but numerous efforts to introduce sickness insurance in the United States particularly through fraternal orders and trade unions among wage earners.

Is not this marked activity among lay people convincing evidence that the public desires a higher degree of health than it now has? Are the movements not sufficiently indicative of the public's impatience with the inefficiency of the medical profession in achieving their desires?

Is the medical mind bereft of the comprehension that a large measure of social medicine is already in our midst? Have the medical eye and ear faculties atrophied to the extent that there is no perception of the almost complete failure of real medical organization in the United States?

The coöperative understanding is on the threshold of dominance in the life of man. It will not supersede the competitive principle. It will operate jointly with it. The levels from which the competitive principle will function are raised. On such levels will be found wider sharing in fundamental necessities for adequate and happy living.

The science of medicine has vast reservoirs of knowledge which should be available not only to physicians as sources of income but to all people for the maintenance of health. The knowledge should be humanized—made helpful to humanity in need. There can be no satisfying progress without health. Health of body and of mind underlies all human activity.

THE OBLIGATION OF ORGANIZED MEDICINE

The promotion of health to all is the responsibility and obligation of medicine. No other body of citizens can function adequately to this end. It is not true that the personnel of medicine is inferior in social mindedness to the lay mind. It cannot, however, be supported that there has been developed group consciousness toward organization to meet the responsibility and obligation. There has been no definite facing of the problem outlined in 1924 by Dr. Olin West, secretary of the American Medical Association, "The one great outstanding problem before the medical profession is that involved in the delivery of adequate scientific medical service to all the people, rich and poor, at a cost which can be reasonably met by them in their respective stations in life."

To the understanding of and attempts to solve this problem must major efforts of the medical profession be consecrated. The challenge from a thinking social structure is one worthy of the intellectual resources of physicians. The general

and specific backgrounds of education place physicians on a plane as high or higher than that of lay persons in the comprehension of the worth of concepts which guide human endeavor. The challenge will be accepted first, because medicine has not forgotten its origins in the expression of sympathy, and second, because under existing competitive attitudes of mind the existence of scientific medicine is at stake.

THE AMERICAN MEDICAL ASSOCIATION BUREAU OF MEDICAL ECONOMICS

The foundation of the organization plan was laid by the American Medical Association at its annual meeting last year on recommendations carried to the House of Delegates by representatives of the California Medical Association. A medical economics bureau was established. The bureau should be a body continuously in session if it is to formulate programs meriting approval of American physicians. The bureau must be adequately financed, otherwise physicians of statesmanlike calibre could not afford to be its personnel and function as an unprejudiced advisory committee.

At this juncture I suggest that the Committee of Medical Economics of the California Medical Association be composed of experienced physicians of judicial temperaments, interested in general problems of medicine rather than in personal problems of practice. I further suggest that the members of such committee be paid satisfactory compensation for all time service consisting of surveys and data on which recommendations to California physicians may be made. I also suggest that the money for this purpose be secured from the treasury of the Association. By furtherance of such procedure California would take the lead among the states of the nation in the investigation of how to improve the health and happiness of all the people.

MEDICAL PROFESSION LACKS ORGANIZATION

My purpose in this paper is to reiterate what I tried to convey in my paper, "The Business of Medicine," read before you last year. The emphasis was on lack of organization in the medical profession. Scientific medicine would be better understood and appreciated by the world if it displayed qualities of organization, direction and foresight. There is little safe leadership, that is, "management," in the affairs of medicine. Medical organization today is not far removed from chaos. I wonder if the lay public is entering into medical fields because those physicians who guide our national and state associations are interested largely in maintaining the status quo. Are our medical spokesmen broadminded and plastic to new conceptions or are they fettered by tradition?

The work of the economics committee of the California Medical Association would not exclude studies of social medicine, state medicine, health insurance or whatever the coöperative idea in medicine might be called. Why do many physicians oppose coöperative measures between physicians and all those who need their attention? It is due almost entirely to little understanding of what is meant by the proposals.

WHY SHOULD SOCIALIZATION OF MEDICINE BE FEARED?

The objections to some form of socialization of medicine are largely the products of fear. The fear is of crippling the work of scientific medicine. The arguments against socialization rarely touch on the value of the proposals to the public. The thousand and one phases of American life in which coöperative measures have been found essential to stabilization and security are ignored in the discussions. No thought is expended on the possibility of formulating a plan by which American medicine could add a new chapter to American institutions. The chapter would be constructively social, that is, in the interests of all.

Physicians of the United States have an indifferent appreciation of the increasing momentum of socialized medicine in most of the countries of the world. Whenever the topic reaches the conversational threshold, it is often tossed aside with the comment that conditions are different outside the United States, or with the remark that social medicine worked badly in England and is opposed by the British Medical Association. How little has filtered into the consciousness of American doctors that the great British Medical Association, after twenty years of study of the subject "The Health of the People," has in the last year made a proposal to the English public. The proposal is a comprehensive one intended to be satisfactory both to the recipients and givers of a medical service. The essence of the proposal is that the medical benefits of the present National Health Insurance Acts be extended to include dependents of all insured persons. The plan includes prevention as well as relief of disease. An open-minded doctor in this country should read English medical journals rather than American to get the facts about British medical opinions.

INITIATIVE IN MEDICINE WILL NOT BE ANNIHILATED

Among indictments of the socialization of medicine is the charge that initiative will be annihilated, that research medicine will cease and physicans will become mechanical. Is the indictment weak or strong?

There are three economic levels which roughly determine the kind of professional care patients receive. The wealthy class pay whatever the doctor charges. In this class people can exact anything that medicine has to offer. The indigent are given excellent attention and the cost is met indirectly by other taxpaying citizens. Those poor and in moderate circumstances, the bulk of the population, receive good, bad or indifferent attention from the medical profession dependent on their ability to meet the costs of limited or all services in which fixed charges, as x-ray or metabolic determinations, are economically basic in nature.

A MEDICAL INSURANCE PLAN PROPOSED

The medical insurance plan is one of fixing an economic level. At or below the level, an annual income of blank dollars, all people will receive the manifold blessings which have been brought into the world by medical discovery. The cost would be borne by recipients, by employers and by the state on a basis fair to all concerned. From a common denominator level the initiative urge would find no barriers to its progress.

The well-to-do should not be permitted to take advantage of a health insurance system. Those on an economic level above the established one would pay for their medical services as they do now. Many doctors would be satisfied to receive their compensation from the insurance fund, others partly from the fund, while others would confine their practices to the wealthy. The competitive system would commence operations from the established coöperative level. There would be no deterioration in medicine.

An opportunity to use initiative is constantly held before physicians and they turn away. Unless the demand of people for better health is recognized and met, there is much reason to believe that the medical profession will be incorporated in some type of social medicine controlled by lay personnel. This would very likely be a public catastrophe, tending to throw the race backward.

Is it difficult to understand that health insurance is but enlargement of the industrial accident compensation insurance laws which are in effect throughout the United States? Certainly older physicians in our state association remember the obstinate opposition when industrial accident compensation insurance was broached. Nowadays the medical profession has accepted its position in the accident insurance program as very satisfactory from both the professional and economic standpoints, the original points of difference having been studied, modified and then accepted.

SOCIAL MEDICINE A MIXTURE OF IDEALISM AND COMMERCIALISM

A friend recently told me that the field of medicine should be ever idealistic and there should be little contact with the field of commercialism. Though the two fields are far apart, in each one blossom many of the same flowers whose pollens unite. In commercial pursuits there is not a complete dearth of idealism, though the main objective is the making of money. In medicine there can be no service unless physicians receive compensation for their labors on the basis of just economic principles. The objective of physicians is not the making of money but the deliverance of health. Social medicine is the fruit of the uniting of the pollens of idealism and commercialism.

THE FAMILY DOCTOR—AN EXPRESSION OF IDEALISM

The highest expression of idealism in medicine has been the old family doctor. The economic status of the old family doctor was not good. His earnings in general were low—not commensurate with his worth in the body politic. He was a slave to his clientele. They extolled his idealism and his disregard of commercialism, but extended him little money to meet the ordinary requirements of living. The education of his children was largely curtailed and often he was deprived of the means to enable him by association with his fellows, by travel and by perusal of recent books and journals, to keep abreast of the advances in his profession. Little time was allotted him for rest and recreation by which to refresh body and soul.

Social medicine will bring the family doctor idea to the fore again. The worth of the family doctor has been somewhat clouded by the modern specialist movement. The family doctor will be transformed into the general practitioner, the master consultant, the trusted counselor, guide and friend. He will be the backbone of the institution of social medicine. To a large extent he will be the director of specialists who will be his hands in carrying out the many difficult, intricate and special diagnostic and therapeutic procedures which no one physician is capable of achieving. The specialist will be inculcated with the general practitioner attitude of mind and will refer those patients outside his sphere to those capable of giving adequate service. Thought of and desire for fees will be eliminated. There will be no antagonisms and the general practitioner and the specialist will be broadened by associative contact.

SOCIAL MEDICINE EXISTS AND IS HERE

American medicine has partly swung into the coöperative spirit of the age. Witness to this statement is the increasing number of group practice clinics which are being established in many of the states. The most successful of these are the ones builded about one or more general practitioners. Group practices will be best prepared to fit without marked adjustment into the institution of social medicine.

Social medicine becomes insistent on inclusion among the institutions of man. Its growth, its humanization, is a problem largely for medical direction and guidance. The medical profession is without question the most important factor in the whole program. Without the knowledge and applied service of properly educated physicians, social medicine will be a dismal debacle. The future of high minded medicine is in the channel of wisely organized coöperative endeavor. American physicians must build an essentially American plan of social medicine which will be free from proven defects in other countries.

As the coöperative movement gains momentum and reaches a more advanced level there may be found a solution to another problem about which earnest socially minded doctors are much concerned. The problem is the failure of large numbers of medical graduates to be conversant with the constantly mounting medical knowledge. Medicine's inadequacy, medicine's failure to register with large sections of the public lies in the

field of lazy indifference. Cultisms flourish in this field. Lack of real medical organization spells success for the opposition to basic science laws and encourages the continuance of the incompetent doctor in society.

THE COMPETENCY OF THE LICENSED PRACTITIONER

When physicians are satisfactorily compensated there will be found necessity to meet squarely the problem which has not been faced with courage. The problem, one on which the socialization of medicine must be continuously dependent, is the competency of the licensed practitioner. In this age, under the many diverging laws enacted in different states of the Union, the competency of physicians cannot be assured to the people. Every legal license to practice the healing art should be full evidence of worth and ability and security to the public in matters of sickness and health.

Social medicine should be a real contribution to social justice. In the present cycle of human thought it can be the culmination of physicians' efforts to express sympathy to those in sorrow, in need and in sickness. Full throated acceptance and announcement that the main purpose of scientific medicine is health for all, those now living and those as yet unborn, will change the course of human thought and action.

1421 State Street.

MEDICAL ECONOMICS—PRESENT ACTIVITIES*

WITH SUGGESTIONS ON PROPOSED CHANGES

By J. ROLLIN FRENCH, M. D.
Los Angeles

THE year 1931 has crystallized many smoldering economic problems in all walks of life, including that of the profession of medicine and surgery. In considering the problems of medical economics pertaining to the application of the art of practice today, we must visualize the situation and accept the new world as it now is and act according to the modern trend, instead of allowing tradition entirely to direct our activities. We must base our future policies on reason and act with vigor, dispatch, and common sense.

The basic thought in medical economics was admirably expressed by Dr. Olin West, secretary of the American Medical Association, a few years ago when he said, "The outstanding problem of the medical profession today is how may we convey adequate scientific service to all people, rich and poor, at a cost which can be met by them in their respective stations of life?"

WHAT CITIZEN GROUPS CAN PAY

It has been truthfully stated that only about 15 per cent of the population of the United States are financially able to secure proper medical attention regardless of cost. Another 15 per cent are represented in the charity group, who are amply cared for, as far as scientific medical and surgical service is concerned, by the many well organized charitable hospitals, including city, county, and state institutions. The modest incomes, in many instances, of the remaining 70 per cent—the middle class—will not permit them to pay the costs necessarily attached to the present system of dispensing scientific medical care. As a result many are attracted by the glowing promises of unscientific cults and commercial quackery.

Little can be accomplished by attempting to legislate against this evil unless an educational campaign is instituted, molding the present ideas of the public.

The solution of the problem has attracted the attention of the public at large, principally because organized medicine has given but little or no consideration to the remedy for this timely subject.

The present activity in medical economics is not an attempt to revolutionize the science of medicine. It is an attempt, however, to force constructive consideration of evolution in the application of the art of practice, with the idea of overcoming "fogyism," which latter condition constitutes an unnecessary barrier to modern medical progress.

In discussing this problem our proposals for relief and amends are not put forward as specific plans for a magic cure. It is hoped, however, that the suggestions may in time receive sufficient support to be of service in an educational campaign which will benefit both the profession and the public. Moralizing, browbeating, rate-cutting, contracting, or any other one specific plan do not furnish a solution of the problems. The remedies do not come in pill form or in bottles. Before we make an attempt to form conclusions for relief or amends, modern ideas as well as traditions and history must be studied carefully from all angles, with a thought of justice to all.

THE BEGINNINGS OF MEDICAL ECONOMICS

The more or less intricate ramifications of this subject may be clarified by a brief review of the history which led up to the present trend. With the exception of the Oath of Hippocrates in about 500 B. C., there was nothing of importance in medical economics until the founding of the Royal College of Physicians in the fifteenth century. Prior to that date the healing art was considered largely the function of the clergy, surgery being the work of the layman and usually the side occupation of the barber.

Early hospital organizations were founded by religious groups who made the care of the sick a means of fulfilling religious vows. Thus was developed the tendency on the part of many of the people to expect medical care as a charitable service, a contention which has been more or less propagated ever since. The Royal College of Physicians at this time had no monopoly on the

* Read before the Industrial Medicine and Surgery Section of the California Medical Association at the sixtieth annual session at San Francisco, April 27-30, 1931.